

The Gazette



of India

EXTRAORDINARY

PART I—Section 1

PUBLISHED BY AUTHORITY

No. 177] NEW DELHI, SATURDAY, NOVEMBER 23, 1963/AGRAHAYANA 2, 1885

MINISTRY OF INTERNATIONAL TRADE

RESOLUTION

TARIFFS

New Delhi, the 23rd November 1963

No. 3(1)-Tar/63.—The Tariff Commission has submitted its Report on the continuance of protection to the Bicycle Industry on the basis of an inquiry undertaken by it under Sections 11(e) and 13 of the Tariff Commission Act, 1951. Its recommendations are as follows:—

- (1) Protection granted to the bicycle industry need not be extended beyond 31st December 1963.
- (2) Steps should be taken to ask the manufacturers to freeze prices of their bicycles (without saddles and accessories) at the levels of their F.O.R. destination prices prevailing on 18th July, 1963. These prices should be exclusive of their respective wholesalers' commission. Government should also direct the industry that distributors' margin, covering commission agents, sole distributors and dealers as the case may be, shall not exceed a ceiling of fifteen per cent of the net selling price. The Government order should also provide that subsequent to the freezing of the prices for an interim period it shall not be permissible for the producers concerned to increase their prices except with the prior approval of Government.
- (3) Government should examine the complaint of a tube manufacturer about the non-availability of satisfactory quality of indigenous hot rolled strips and if it is found correct, take remedial measures or arrange for alternative source of supplies.
- (4) Government should afford greater facilities to the units of the bicycle industry and producers of raw materials and components in obtaining their requirements of basic raw materials and consumable stores such as hot and cold rolled strips, black bars, steel wire rods, nickel anodes, etc., whether indigenous or imported.
- (5) The Development Commissioner, Small-scale Industries should take urgent and effective steps for the compilation and maintenance of comprehensive statistics about the capacity and production of small scale units.
- (6) The Development Commissioner, Small-scale Industries, should help the small producers in important centres by placing suitable testing facilities and technical personnel at their disposal to improve the quality of their products.
- (7) The Cycle Manufacturers' Association should prepare a list of parts along with the details and requirement of tolerances which it would like to buy from the small-scale units. The body representing the latter could then get in touch with its constituents and satisfy the Association on matters of quality, price and dependability of supply.

- (8) The Cycle Manufacturers' Association should take the initiative to evolve a suitable channel of distribution of components in consultation with the Development Commissioner, Small Scale Industries and the National Small Industries Corporation and ensure that components are easily available to the assembling units.
 - (9) The practice of charging lower prices for original equipment than for replacement purposes should be adopted by the large scale producers with regard to the components such as free wheels, chains, hubs and bottom bracket shells.
 - (10) It would be in the interest of the producers particularly those in the small scale sector to show more active interest and take measures to qualify for and adopt I. S. I. certification mark.
2. Government accept recommendation (1) and the necessary legislation will be undertaken in due course to deprotect the Bicycle Industry with effect from the 1st January, 1964.
 3. Government accept recommendation (2).
 4. Government have taken note of recommendations (3) to (6) and steps will be taken to implement them as far as possible.
 5. The attention of the Cycle Manufacturers' Association is invited to recommendations (7) and (8).
 6. The attention of the large scale producers of bicycle is invited to recommendation (9).
 7. The attention of the bicycle producers, particularly those in the small scale sector is also invited to recommendation (10).

ORDER

Ordered that the Resolution be published in the Gazette of India and a copy thereof communicated to all concerned.

H. D. SHOURIE, Jt. Secy.